Luxembourg’s recovery and resilience plan

The European Commission has given a positive assessment to Luxembourg’s recovery and resilience plan, which will be financed by €93.4 million in grants.

The financing provided by the Recovery and Resilience Facility – at the heart of NextGenerationEU – will support the implementation of crucial investment and reform measures put forward by Luxembourg to emerge stronger from the COVID-19 pandemic.

Luxembourg’s plan forms part of an unprecedented coordinated EU response to the COVID-19 crisis, to address common European challenges by embracing the green and digital transitions, to strengthen economic and social resilience and the cohesion of the Single Market. In particular, Luxembourg’s plan will promote clean energy and transport, biodiversity protection, the digitalisation of the public administration and increase the availability of affordable housing. The plan will provide training to job seekers, short-time and older workers and improve the resilience of the healthcare system.

KEY MEASURES TO SECURE LUXEMBOURG’S GREEN TRANSITION

61% of the plan’s total allocation for reforms and investments supports climate objectives

- **Electro-mobility**: deploying a support scheme to enlarge the network of charging points for electric vehicles across the country. **€30.5 million**
- **Biodiversity**: establishing a ‘Naturpakt’ with municipalities to provide financial support to actions to protect nature and prevent biodiversity loss. **€6 million**
- **Renewables**: supplying a new housing district built on a former industrial site with heat and electricity produced from renewables. **€24 million**
KEY MEASURES TO SUPPORT LUXEMBOURG’S DIGITAL TRANSITION

32% of the plan’s total allocation for reforms and investments supports digital objectives

- Secure communications: developing and deploying an ultra-secure communication infrastructure, based on quantum technology, to improve the security of public sector communications, as part of a European project. €10 million
- Digital services for public: creating new digital administrative services for firms and citizens. €13 million
- Digitise healthcare: implementing a telemedicine solution for the remote medical monitoring and care of patients. €0.8 million

KEY MEASURES TO REINFORCE LUXEMBOURG’S ECONOMIC AND SOCIAL RESILIENCE

- Fight against money laundering and terrorist financing: adopting a new law to improve supervision against money laundering and perform assessments of money-laundering and terrorist-financing risks.
- Affordable housing: setting up a ‘Housing Pact 2.0’ with municipalities to reform funding of new or renovated affordable and sustainable housing.
- Healthcare reform: redefining the competences, tasks and responsibilities of healthcare professionals.
- Train jobseekers: organising training for jobseekers, of which at least 30% will be over the age of 45, and focusing on digital and managerial skills. €1.5 million
- Train short-time workers: setting up online digital training courses and offering every short-time employees a one-off digital training voucher of up to €500. €5 million

IMPLEMENTATION

- None of the plan’s measures will do significant harm to the environment.
- Stakeholders should continue to be involved in the implementation of the recovery and resilience plan to ensure ownership of reforms.
- Disbursement of funds is performance-based and will reflect progress on reforms and investments set out in the plan.
- Control systems will protect against serious irregularities such as fraud, corruption and double funding.